

Briefing Note

Budget & Precept 2024/2025

3 min read

1.0 Background

1.1 The Parish Council is required to agree a budget for the coming year and make application to Cornwall Council to collect a precept before 31 December 2023. Because the council does not hold a public meeting in December, councillors are asked to approve a budget and precept application at their meeting on 16 November 2023. This briefing note sets out the background to the budget and recommends that the council support a precept that will enable it to carry its statutory duties and projects for the next financial year.

2.0 The issues

2.1 Expenditure for 2024/25 is budgeted to be £30,894, which is an increase of £618 (2%) compared to the budget set last year. The reason for the increase in expenses is because of the extra costs forecast for wages and salaries. This is projected to increase from £13,017 to £14,052 and accounts for 8% of the overall increase.

2.2 In order to meet the day to day expenses of the parish council, I have allowed for the withdrawal of the former Council Tax Support grant from Cornwall Council and included income that will derive from fees and interest charges.

2.3 In calculating a budget for 2024/2025, the Clerk has examined all the costs incurred to date and made provision for changes, as well as including items that we may be liable for in the future.

2.4 At the close of business on 31 October 2023, your reserves were £60,527.69.

2.5 The final calculation for a budget that takes account of all these factors will require a precept which is marginally higher than that previously levied. The proposal is that the precept be increased to £26,460. This is an increase of £1,260 or 5%.

2.6 At its public meeting on 16 May 2019, councillors agreed to set an annual budget for its Community Grants (Item 50/2019A) that would be based on current demand for grants. At the time of drafting this note, the remaining budget for 2023/24 is £1,300 out of an original sum allocated of £2,5000. Based on previous experience, the council might expect to receive applications totalling £2,200 each year. Therefore I recommend allocating the same amount of £2,500 as the current year, such monies to be taken from the General Reserve.

3.0 Recommendations

3.1 To accept the budget calculation and support an increased precept. The final calculation for the precept in 2024/25 would be £26,460.

3.2 To top up the Community Grants budget from the general reserve to a figure of £2,500, the final amount to be agreed at the April 2024 public meeting.

3.3 To maintain the current reserves with Cornwall Council.

Attachments:

Appendix 1 Budget comparison for 2023/24 and 2024/25

Appendix 2 Budget detail 2024/25

Appendix 3 Budget background

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Date: 10 November 2023

Budget 2024-25 comparisons

Appendix 1

prepared 07/11/2023

			ok	ok	ok	ok	
			Actual 2022-23	Budget 2023-24	Actual 2022-23*	Budget 2024-25	change
Net Expenditure			£				
1.00 Open spaces							
	1.1	Grasscutting	7305.00	5952.00	5952.00	5952.00	0.00
	1.2	Strimming	0.00	0.00	0.00	0.00	0.00
	1.3	Weed spraying	0.00	0.00	0.00	0.00	0.00
	1.4	Other expenses	4518.00	5300.00	3945.00	4975.00	-325.00
	1.5	Menheniot Green	694.00				
	sub total		12517.00	11252.00	9897.00	10927.00	-325.00
2.00 General Administration							
	2.1	Salaries	9777.00	9867.00	8613.00	10704.00	837.00
	2.2	Audit fees	400.00	400.00	400.00	410.00	10.00
	2.3	Other expenses	5656.00	4132.38	4453.00	4130.00	-2.38
	2.4	Fees & elections	0.00	0.00	0.00	0.00	0.00
	sub total		15833.00	14399.38	13466.00	15244.00	844.62
3.00 Allotments							
	3.1	Rent	80.00	80.00	80.00	80.00	0.00
	3.2	Maintenance	403.00	100.00	100.00	400.00	300.00
	sub total	Expenditure	483.00	180.00	180.00	480.00	300.00
4.00 Public toilets							
	4.1	Cleaner	2518.00	3150.00	2766.00	3348.00	198.00
	4.2	Maintenance	189.00	395.00	150.00	195.00	-200.00
	4.3	Water	693.00	400.00	200.00	200.00	-200.00
	sub total	Expenditure	3400.00	3945.00	3116.00	3743.00	-202.00
5.00 Public lighting							
	5.1	Electricity	183.00	0.00	183.00	0.00	0.00
	5.2	Maintenance	41.00	0.00	41.00	0.00	0.00
	sub total		224.00	0.00	224.00	0.00	0.00
6.00 Donations							
	6.1	Donations	456.00	500.00	300.00	500.00	0.00
	6.2	Grants	1700.00	0.00	2030.00	0.00	0.00
	sub total		2156.00	500.00	2330.00	500.00	0.00
6E Neighbourhood Plan							
	6E1	Projects	0.00	0.00	60.00	0.00	
	sub total		0.00	0.00		0.00	
	TOTAL		34613.00	30276.38	29213.00	30894.00	617.62

* best estimate at the time of preparation

			Actual 2022-23	Budget 2022-23	Actual 2022-23*	Budget 2023-24	change
Gross Income			£				
7.00 Statutory & Discretionary							
	7.1	Council precept	22816.00	25200.00	25200.00	26460.00	1260.00
	7.2	CTS Grant	220.00	300.00	542.00	0.00	-300.00
	7.3	Allotment rentals	312.00	265.00	265.00	265.00	0.00
	7.4	Parish paths grantsn LMP	790.00	728.00	728.00	849.00	121.00
	7.5	Grants	0.00	0.00	692.00	0.00	0.00
	7.6	Fees & Other Income	95.00	61.00	5.00	61.00	0.00
	7.7	Bank interest	964.00	490.00	400.00	1512.00	1022.00

	7.8	Miscellaneous	367.00	0.00	5800.00	0.00	0.00
	7.9	From General Reserve				1747.00	1747.00
	TOTAL		25564.00	27044.00	33632.00	30894.00	2103.00

* best estimate at the time of preparation

Expenditure for 2024/25	Item	Frequen	Cost	Extension	To Budget	
1.0	Open Spaces					
1.1	Grasscutting	New contractor	16	372.00	5952.00	£ 5,952.00
1.2	Strimming	Deleted from specification			0.00	£ -
1.3	Weedspraying	New contractor	1		0.00	£ -
1.4	Misc	Footpaths New contractor	1	1725.00	1725.00	
1.4		RoSPA Inspections	1	150.00	150.00	
1.4		Miscellaneous Repairs	1	1000.00	1000.00	
1.4		Biffa waste disposal annual fee	4	275.00	1100.00	
1.5		Menheniot Green	1	1000.00	1000.00	£ 4,975.00
	sub total					£ 10,927.00
2.0	General Administration					
2.1	Salaries	Clerk increase to Grade 20 14.75 ph i	12	892.00	10704.00	£ 10,704.00
2.2	Audit fees	Internal auditor & PKF Littlejohn	1	410.00	410.00	£ 410.00
2.3	Other expenses	PPSA	1	500.00	500.00	
		Training Clerk	1	100.00	100.00	
		Training Councillors	1	250.00	250.00	
		CALC subscription	1	630.00	630.00	
		SLCC subscription	1	300.00	300.00	
		Insurance	1	1205.00	1205.00	
		Web support	1	150.00	150.00	
		IT support inc Zoom subscription	1	300.00	300.00	
		Prydis payroll processing	4	95.00	380.00	
		ICO registration	1	35.00	35.00	
		Venue Hire	12	6.00	72.00	
		Clerk's Office Expenses	52	4.00	208.00	£ 4,130.00
2.4	Fees & Elections	No election due until 2025	1	0.00	0.00	£ -
	sub total					£ 15,244.00
3.0	Allotments					
3.1	Rent	Tenants agreements	1	80.00	80.00	
3.2	Maintenance	Repairs & Renewals/Water	4	100.00	400.00	
	sub total					£ 480.00
4.0	Public toilets					
4.1	Cleaner	Salary £11.06 ph	12	279.00	3348.00	
4.2	Maintenance	Repairs & Renewals/Waste disposal	1	195.00	195.00	
4.3	Water	South West Water	1	200.00	200.00	
	sub total					£ 3,743.00
5.0	Public lighting					
5.1	Electricity	EDF	4	0.00	0.00	
5.2	Maintenance	SSE Enterprise	4	0.00	0.00	
	sub total					£ -
6.0	Donations				0.00	
6.1	Donations		1	500.00	500.00	
6.2	Grants/Donations			0.00	0.00	
	sub total					£ 500.00
6E	Neighbourhood Plan					
6E1	Project costs			0.00	0.00	
	sub total					£ -
All Expenditure						£ 30,894.00
7.0	Income Statutory	Item	Frequen	Cost	Extension	To Budget
7.1	Council Precept	Collected by Cornwall Council	1	27457.00	27457.00	£ 26,460.00

7.2	Council Tax Supp	Funded by Cornwall Council	1		0.00	£	-
7.3	Allotment rent	100% occupancy	1	265.00	265.00	£	265.00
7.4	Footpaths Subsidy	Local Maintenance Partnership	1	849.00	849.00	£	849.00
7.5	Grants/VAT	Unplanned grants	1	0.00	0.00	£	-
7.6	Fees & Other Inco	Cottages & Playgroup licences	1	61.00	61.00	£	61.00
7.7	Bank Interest	Cornwall Council Call Account	12	126.00	1512.00	£	1,512.00
7.8	Income Misc	Unplanned income	1	0.00	0.00	£	-
7.9	From General Reserve		1	2257.00	2257.00	£	1,747.00
All Income						£	30,894.00

Background to the parish council's budget and precept for 2024/25

5 min read

This Guide explains how the budget is derived and a precept calculated and where the figures are obtained from. This budget has been prepared with a current inflation rate (September 2023) of 6.7% (for comparison, October 2022 11.1%).

In reviewing our current costs, the Clerk has only included items where we know that that expenditure will be incurred, and where we have reasonable certainty about its accuracy. At the end of October 2023, the parish council held £60, 527 in its accounts (compared to £77,736 in October 2022), and this budget (and precept calculation) recommends that the council once again draw upon those reserves to minimise any increase in the precept for 2024/25.

A property in Band D house currently pays £38.55 per year (£3.21 per month). Accepting the proposed budget and precept will mean that in 2024/25, a Band D property will pay £40.12 per year (£3.34 per month), and increase of 4.06%.

	Expenditure	
1.0	Open Spaces	The day-to-day ground maintenance and repair of the grounds and assets of the parish council. In April 2022, the parish council appointed a new contractor to carry out grounds maintenance on a fixed two-year contract. <i>This draft budget is based on retaining the current contractor at the current cost with no change to the contract specification.</i>
1.1	Grass cutting	Set out in the specification for the contractor we employ. <i>The new contract cost is £5952, and the same as the previous year.</i>
1.2	Strimming	Deleted in this year's budget because it was not included in the new specification.
1.3	Weed spraying	Deleted in this year's budget because it was not included in the new specification.
1.4	Other expenses	Costs of footpath maintenance, RoSPA safety inspection, tree survey and other general maintenance costs. Set out in the specification for the contractor we employ. <i>The budget for 'Miscellaneous repairs' has been increased to £1000 to cover a proposed maintenance schedule.</i>
1.5	Menheniot Green	Budget to fund works undertaken by volunteers relating to climate change and environmental projects. This has previously been funded from the General Reserve - recommended to continue.
2.0	General Administration	Day to day costs of administering the parish council.
2.1	Salaries	Clerk's salary is negotiated centrally and increases each year, subject to a satisfactory annual appraisal.
2.2	Audit fees	Charges for our statutory annual audit.
2.3	Other expenses	Includes our printing and stationery costs; training budget (for clerk and councillors); professional

		subscriptions; insurance' IT support; venue hire; clerk's home expenses. <i>Based on current years costs, it is proposed that the previous figure for printing be reduced from £1000 to £500, councillor training reduced from £500 to £250.</i>
2.4	Fees and election	Only applicable in election years (the next in 2025) – zero included in this years budget.
3.0	Allotments	Council has a long-term agreement with a local farmer who rents us the land at East Road. <i>The proposals in this section are cost neutral because of the accumulated surplus in the allotments account.</i>
3.1	Rent	Annual peppercorn rent payable.
3.2	Maintenance	Repairs and water supply charges. Based on consumption over the past 2 years, budget for water increased to £400pa.
4.0	Public toilets	Public toilets on East Road. <i>The proposals in this section will still lead to an increase in costs of 15% (£500) compared to the current year.</i>
4.1	Cleaner's salary	Salary for part-time cleaner increased because of statutory minimum.
4.2	Maintenance	Repairs and waste disposal. <i>Based on current costs, reduced to £195. (outline proposals to refurbish the toilets can be funded from the General Reserve)</i>
4.3	Water	Water supply charges. <i>Based on current consumption, reduced to £200.</i>
5.0	Public lighting	Deleted because Cornwall Council is now responsible for maintenance (wef 2022)
6.0	Donations	Council operates a system of giving financial support to local and regional organisations. Details on website.
6.1	Donation	Small sums (up to £100) is funded usually through the precept. Advise that for this year, the £500 budget is recovered from the General Reserve.
6.2	Grants	Larger grants (more than £100) are funded from the General Reserve. Budget is agreed each year and was set at £2500 in 2022.
6E	Neighbourhood Development Plan	The NDP was adopted in April 2022 and this budget line is now deleted.
7.0	Income	
7.1	Precept	Cornwall Council collect the parish precept (the very local council tax) on our behalf, and we receive this in two equal amounts in spring and autumn. The precept is charged to cover day to day running expenses of the parish council. You can see what your current parish precept payment is on your annual Council Tax bill.
7.2	CTS Grant (Council Tax Support)	The Council Tax Support scheme ended in March 2022 and is no longer payable onto the parish council.
7.3	Allotment rentals	Annual fee per plot of £12 is set to recover all running costs, based on 90% occupancy and income.
7.4	Parish paths grant (Local Maintenance Partnership)	The parish council receives a fixed sum each year from Cornwall Council as a contribution towards the cost of maintaining footpaths.
7.5	Grants	Council may receive unplanned for amounts of funding from other sources.

7.6	Fees & other income	Council receives a small fee income from the Menheniot Playgroup and Village Green cottages.
7.7	Bank interest	The council has deposited surplus funds with Cornwall Council and receives a higher rate of interest than from commercial banks. You can see the balance on your monthly bank reconciliation.
7.8	Miscellaneous income	Council occasionally received other grants, subsidies and donations that are shown here.
7.9	From General Reserve	Where councillors wish to fund work that is outside the scope of day to day running expenses, payments can be made from the council's reserves and this section shows that amount.

10 Nov 2023